

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5290-02
Bill No.: Perfected SB 1022
Subject: Board, Commissions, Committees, Councils; Employee-Employers; Health Care; Health Care Professionals; Licenses-Professional; Nursing and Boarding Homes;
Type: Original
Date: April 20, 2010

Bill Summary: This legislation adds to the list of entities that are required to report disciplinary action against health care professionals.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 335.075, 383.130 & 383.133:

Officials from the **Department of Health and Senior Services** and the **Department of Insurance, Financial Institutions & Professional Registration** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Department of Mental Health (DMH)** assume none of the requirements of this legislation result in any change to current DMH practice or procedure; therefore, there is no fiscal impact to DMH.

Officials from the **Department of Social Services (DOS)** state Sections 1.1-2: Most physicians' offices and clinics also already have verification and tracking systems. If they do not, they may see an increase in their administrative costs but it is not anticipated to be significant.

Most institutions, hospitals and nursing facilities have these types of verification and tracking systems in place and already meet these requirements. However, if these facilities did incur a cost, those costs would not be reflected in the Medicaid per diem rates until the cost report that captures the costs is used for a rate base. Currently, rates are based on 1995 cost reports and the MHD does not have any plans to rebase on a more current rate base.

The MHD bases other hospital reimbursement (i.e., add-on payments) for a given year on the fourth prior year cost report. Since the legislation would probably be effective in August, 2010, the costs would begin to be reflected in 2011 cost reports. The MHD would use 2011 cost reports to establish reimbursement for SFY15.

Therefore, there would not be a fiscal impact for facilities that would be passed on to the MHD for FY11, FY12 and FY13, but starting FY15 there could be an impact, but the amount is unknown.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2011
(10 Mo.)

FY 2012

FY 2013

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

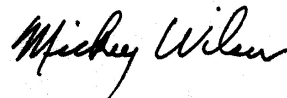
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Health and Senior Services
Department of Social Services



Mickey Wilson, CPA
Director
April 20, 2010